

United States Senate

March 12, 2020

The Honorable Steven Mnuchin
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Secretary Mnuchin:

As you work with Vice President Mike Pence, members of the Coronavirus Task Force, and members of the President's Cabinet to contain the spread and treat cases of novel coronavirus (COVID-19) in the United States, I ask that you utilize your authorities to protect Americans who may become ill from unreasonable debt collection by the Department of the Treasury (Treasury) as a result of treatments related to the illness.

Americans can incur various types of debts owed to the federal government. These debts range from unpaid loans and penalties, to payments for services delivered by federal entities. For instance, when civilians receive health services at military treatment facilities (MTF), federal law requires the Department of Defense (DoD) to seek reimbursement for those services from a third-party payer on behalf of that patient, such as a health insurance carrier, or from the patient themselves. In cases where the patient's insurance is insufficient because their health plan does not meet minimum essential coverage requirements, or the patient is uninsured, they may be unable to pay the costs associated with their treatment.

In order to improve efficiency of the collection of these and other debts owed to the federal government, Congress directed the Secretary of the Treasury to manage the collection of delinquent debts for all federal agencies. Thus, under the Federal Claims Collection Act, DoD is required to turn patients' debt obligations for unpaid health services over to Treasury for collective action once it becomes delinquent. From there, Treasury has the authority to use a broad range of mechanisms to collect payments including by garnishing non-federal wages, Social Security payments, or federal income tax refunds.

For low-income patients without health insurance, this is a significant departure from the billing treatment they receive at non-military medical facilities. Under the Patient Protection and Affordable Care Act (PPACA), non-profit hospitals are required to provide some level of free or discounted "charity care" to patients who are unable to pay for their treatment. A hospital must first ensure that a patient is ineligible for discounts under its financial assistance policy (FAP) before resorting to extraordinary collection actions. While imperfect, this system helps to ensure that patients without coverage can still seek the care they need.

Our efforts to contain the spread of coronavirus will be futile if sickened patients forgo care over cost concerns; as the President noted, "We are going to look at the uninsured because they have a big

problem.”¹ As our nation’s health system begins to prepare for the volume of patients who may seek acute care services for coronavirus infections, we must ensure that MTFs are prepared to treat emergency cases or care for acute patients when non-military facilities are at capacity. Under those circumstances, MTFs should be allowed to provide charity care to patients in the same way that hospitals do. Most important, patients should be able to receive treatment without worrying that the federal government will aggressively collect debts that would be waived or eased by another treatment facility. In order to ease such concerns among low-income uninsured patients during the coronavirus outbreak, I respectfully request that you use the flexibility granted to Treasury under Federal Claims Collection Act to provide a financial assistance option to uninsured and underinsured patients who seek care at MTFs by waiving debts as appropriate.

Please keep me informed of your agency’s actions related to this request, and any additional authorities that Treasury may need to provide relief to these patients proactively.

I appreciate your immediate attention to this request, and your agency’s partnership in our efforts to keep Nevadans safe and healthy amidst this public health crisis.

Sincerely,



CATHERINE CORTEZ MASTO
U.S. Senator

CC: The Honorable Mark Esper
Secretary
U.S. Department of Defense

¹ Armour, Stephanie. “U.S. Weighs Paying Hospitals for Treating Uninsured Coronavirus Patients.” *The Wall Street Journal*, 3 Mar. 2020, www.wsj.com/articles/trump-administration-considering-paying-hospitals-for-treating-uninsured-coronavirus-patients-11583258943?mod=djemalertNEWS.